

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

**ADJUSTMENT OF RATES OF COLUMBIA GAS
OF KENTUCKY, INC.**

**) CASE NO.
) 10498**

O R D E R

This matter arising upon petition for confidential protection of certain information of Columbia Gas of Kentucky, Inc. ("Columbia") filed April 13, 1989 and amended on May 3, 1989 and upon petition of Columbia filed May 19, 1989, both petitions having been supplemented by supplemental petition filed July 12, 1989 pursuant to 807 KAR 5:001, Section 7, of its responses to Items 4, 5, 14, 36, 39, 41, 68, 75, and 76 of Set A and Item 38 of Set B of the Attorney General's data request of March 27, 1989, Items 1, 2, 17, 55 and 58 of the Attorney General's follow-up data request of April 17, 1989, and Item 63 of the Commission's Order of March 27, 1989; and it appearing to this Commission as follows:

The responses to Items 1 and 2 of the Attorney General's data request contain the names of Kentucky's flex-rate customers, the rates paid and the volumes shipped to those customers, and the revenues derived from those customers. Public disclosure of this information would enable producers and marketers of natural gas and alternate fuels to identify competitive opportunities among Columbia's customers and provide those competitors with an unfair advantage to the competitive detriment of Columbia.

The response to the Attorney General's follow-up data request Item 17 provides operating and maintenance expense information, including comparisons made between amounts budgeted and actual expenditures, which are used in preparing future budgets. Included in the information are amounts which various projects are anticipated to cost. If this information is known in advance to those bidding on the work, the opportunity to achieve savings through competitive bidding could be lost. There is no showing, however, that such information will affect Columbia's competitive position and cause it competitive injury.

Item 55 of the Attorney General's follow-up data request requests the same information as Item 70, Set A, of the original data request, and Item 63 from the Commission's Order of March 27, 1989. The response includes data on revenues, bills and rates for Toyota which Columbia's competitors could use to develop opportunities in that market. Public disclosure of this information is likely to cause substantial harm to Columbia's competitive position and result in competitive injury to the company.

Item 58 of the Attorney General's follow-up data request requests the same information that was requested in Item 76 of the original data request. The information furnished in response to the data request compares budgeted expenses with actual expenses on a monthly basis for 1987 and 1988. The petitions do not indicate how such information, if publicly disclosed, could result in competitive injury to Columbia.

The information furnished in response to Items 4, 36, 39, and 68 of the Attorney General's original data request contains information listing Columbia's industrial customers and the volumes of gas furnished to them. Knowledge of this information would be of substantial benefit to Columbia's competitors, and its public disclosure is likely to cause substantial harm to Columbia's competitive position.

The information furnished in response to Items 5 and 14 includes information on revenues, bills and rates for Toyota. This information would be of substantial value to Columbia's competitors, and its public disclosure is likely to cause substantial harm to Columbia's competitive position.

Columbia no longer requests confidential protection of the information filed in response to Item 41 of the Attorney General's original data request.

The information furnished in response to Item 75 of the Attorney General's original data request, a copy of that company's 1988 and 1989 budget, apparently includes Columbia's financial plan for 1988 and 1989 and estimates Columbia's financial performance. Disclosure of this information could influence trading in Columbia's stocks and bonds, and its disclosure may necessitate SEC filings. However, there is no evidence that disclosure is likely to cause Columbia competitive injury.

The information furnished in response to Item 76 of the Attorney General's original data request provides a monthly comparison of budgeted expenses to actual expenses for 1987 and 1988. Columbia maintains that knowledge of this information would

be of substantial value to persons interested in bidding on the company's projects, and public disclosure of this information could affect the company's opportunity to achieve savings through competitive bidding. The petition does not state whether or how disclosure of such information could result in competitive injury to Columbia.

807 KAR 5:001, Section 7, protects information as confidential only when it is established that disclosure will result in competitive injury to the person possessing the information in that it will provide the possessor's competitors with an unfair business advantage. In other words, the information will be protected as confidential only when public disclosure is likely to cause substantial harm to the competitive position of the person from whom it was obtained. The data furnished in response to Items 4, 5, 14, 36, 39, and 68 of Set A; Item 38 of Set B of the Attorney General's March 27, 1989 data request; Item 63 of the data request contained in the Commission's Order of March 27, 1989; and Items 1, 2, and 55 of the Attorney General's follow-up data request, if publicly disclosed, could cause substantial harm to Columbia's competitive position and should be protected as confidential. The petition does not establish that the responses to Items 41, 75, and 76 of Set A, and Item 38 of Set B of the Attorney General's original data request and Items 17 and 58 of the Attorney General's follow-up data request if publicly disclosed would cause substantial harm to Columbia's competitive position and the responses should not be protected as confidential.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that:

1. The information furnished in response to Items 4, 5, 14, 36, 39 and 68 of Set A, and Item 38 of Set B, of the Attorney General's data request of March 27, 1989, Item 63 of the Commission's Order of March 27, 1989, and Items 1, 2, and 55 of the Attorney General's follow-up data request of April 17, 1989 shall be withheld and retained by this Commission as confidential and shall not be opened for public inspection.

2. Columbia shall, within 10 days of this Order, file an edited copy of the responses to the data requests with the confidential material obscured for inclusion in the public record, with copies to all parties of record.

3. The petition for protection from public disclosure of Items 41, 75 and 76 of Set A of the Attorney General's data request of March 27, 1989 and Items 17 and 58 of the Attorney General's follow-up data request of April 17, 1989 is denied.

Done at Frankfort, Kentucky, this 13th day of September, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director